

Provisional damages

If an award of provisional damages is made within the five-year period, the relevant period is treated as ended only for the purpose of making an appeal. If a further payment is made under the award, that payment is subject to recovery and the relevant period continues to run to the date of that payment, or to the five-year limit, whichever comes first.

The relevant benefits

The benefits covered by the scheme are:

Attendance Allowance	Reduced Earnings Allowance
Constant Attendance Allowance	Retirement Allowance
Disablement Benefit	Severe Disablement Allowance
Family Credit	Sickness Benefit
Income Support	Statutory Sick Pay
Invalidity Benefit	Unemployment Benefit
Mobility Allowance	Dependency Increase payable
Old Cases Act Benefits	with any of those above.

The background to compensation payments

It may be useful to summarise briefly the background to compensation payments, and the situation prior to the introduction of the new rules.

For the purposes of this guide, a compensation payment is any payment made to someone who has been injured, or has a disease, because, for example, of someone else's alleged negligence or breach of statutory duty. The payment is made by, or on behalf of, the allegedly negligent person.

The payment may be made voluntarily, or following an informal settlement or an agreement, or by order of a court. It may include special damages, general damages and interest but **not** any element for costs or property damage. The payment does not have to be by way of money but can be *money's worth* – for example, goods or services.

Some payments, however, are exempt from recovery – see section 1 for details.

Compensation has always been – and continues to be – aimed at restoring the losses the claimant has suffered or may suffer. But it is not the intention that the claimant should receive both benefits and compensation for the same injury or disease. Benefits such as Sickness Benefit and Statutory Sick Pay, for example, are usually paid straight away to anyone unable to work because of injury or disease. Since 1948, compensation payments have been adjusted to take account of such benefits which have been, or may in the future be, paid.